

**ABSTRACT**

The invention provides a computerized electronic auction payment system and method for effecting payment for at least one item sold via an electronic auction web site maintained by an electronic auction system. The system sets up and maintains electronic auction payment accounts for prospective users, e.g., bidders and sellers, of the electronic auction web site. The method includes the steps of sending an e-mail by the electronic auction system to a buyer of the at least one item; receiving, via one of the electronic auction web site and the e-mail, at least one input from the buyer indicating an initiation to effect payment; providing a payment page to the buyer after receiving the at least one input from the buyer; receiving, via the payment page, authorization from the buyer to deduct funds from a payment account corresponding to the buyer; deducting funds from the payment account corresponding to the buyer; and using at least a portion of the deducted funds to effect payment to at least a seller of the at least one item. The method for effecting payment does not provide for any interaction between the buyer and the seller. The deducting and transferring steps occur in real-time. It is provided that the buyer's payment account is deducted automatically, if the at least one input is not received within a predetermined time period.